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In re Application of	:	
Laurence Hamid	:	
Patent Number: 7,529,944	:	
Issue Date: 05/05/2009	:	
Application No. 10/067403	:	
Filing or 371(c) Date: 02/07/2002	:	ON APPLICATION FOR
Attorney Docket Number:	:	PATENT TERM ADJUSTMENT
320528489US	:	

This is in response to the APPLICATION FOR PATENT TERM ADJUSTMENT RECONSIDERATION UNDER 37 C.F.R. § 1.705(B), filed July 6, 2009. Patentees assert that the correct patent term adjustment indicated on the patent is 727 days, not 443 days. Patentees request this correction solely on the basis that the Office took in excess of three years to issue this patent. The application for patent term adjustment is properly treated under 37 C.F.R. § 1.705(d).

The Application for Patent Term Adjustment ("PTA") under 37 CFR 1.705(d), is **DISMISSED**.

On May 5, 2009, the above-identified application matured into U.S. Patent No. 7,529,944, with a patent term adjustment of 443 days. This application for patent term adjustment was timely filed within two months of the issue date of the patent. See 37 CFR 1.705(d).

Patentees provide that the PTO properly accounted for the delay under 35 U.S.C. § 154(b)(1)(A), referred to as the "A delay," (786 days) and that the PTO properly accounted for the reduction in patent term adjustment under 35 U.S.C. 154(b)(2)(C), (449 days). However, Patentees assert that the PTO failed to properly account for the delay under 35 U.S.C. § 154(b)(1)(B), referred to as the "B delay" (504 days) and that the PTO failed to properly account for the overlap under 35 U.S.C. § 154(b)(2)(A) in the A delay and B delay (114 days). Patentees assert that the correct patent term adjustment is the sum of the A delay and the B delay minus any overlapping days minus any applicant delay, or 727 days (786 days of "A delay" *plus* 504 days of "B delay) *less* 114 overlapping days *less* 449 days of applicant delay).

It is noted that patentees do not acknowledge the adjustment of 106 days under 37 CFR 1.702(a)(4) for the failure by the Office to issue a patent not later than four months after the date on which the issue fee was paid under 35 U.S.C. 151 and all outstanding requirements were satisfied. Thus the total period of adjustment pursuant to 37 CFR 1.702(a) is 892 days.

Under 37 CFR 1.703(f), patentees are entitled to a period of patent term adjustment equal to the period of delays based on the grounds set forth in 37 CFR 1.702 reduced by the period of time equal to the period of time during which patentees failed to engage in reasonable efforts to conclude prosecution pursuant to 37 CFR 1.704. In other words, patentees are entitled to the period of Office delay reduced by the period of applicant delay.

The Office asserts that as of the filing of the RCE on June 26, 2006, the application was pending three years and 503 days after its filing date (from February 8, 2005 to June 25, 2006). The Office asserts that certain action was not taken within the specified time frame, and thus, as of adjustment of 786 days which accrued prior to the filing of the RCE is correct. At issue is whether patentees should accrue 503 days of patent term adjustment for the Office taking in excess of three years to issue the patent, as well as 786 days for Office failure to take a certain action within a specified time frame (or examination delay).

The Office contends that the period of 503 days of delay in issuing the patent overlaps with the 786 of examination delay under 37 CFR 1.702(a). Patentees' calculation of the period of overlap is inconsistent with the Office's interpretation of this provision. 35 U.S.C. 154(b)(2)(A) limits the adjustment of patent term, as follows:

> To the extent that the periods of delay attributable to grounds specified in paragraph (1) overlap, the period of any adjustment granted under this subsection shall not exceed the actual number of days the issuance of the patent was delayed.

Likewise, 35 CFR 1.703(f) provides that:

> To the extent that periods of delay attributable to the grounds specified in § 1.702 overlap, the period of adjustment granted under this section shall not exceed the actual number of days the issuance of the patent was delayed.

As explained in *Explanation of 37 CFR 1.703(f) and of the United States Patent and Trademark Office Interpretation of 35 U.S.C. 154(b)(2)(A)*, 69 Fed. Reg. 34283 (June 21, 2004), the Office interprets 35 U.S.C. 154(b)(2)(A) as permitting either patent term adjustment under 35 U.S.C. 154(b)(1)(A)(i)-(iv), or patent term adjustment under 35 U.S.C. 154(b)(1)(B), but not as permitting patent term adjustment under both 35 U.S.C. 154(b)(1)(A)(i)-(iv) and 154(b)(1)(B). Accordingly, the Office implements the overlap provision as follows:

> If an application is entitled to an adjustment under 35 U.S.C. 154(b)(1)(B), the entire period during which the application was pending (except for periods excluded under 35 U.S.C. 154(b)(1)(B)(i)-(iii)), and not just the period beginning three years after the actual

> filing date of the application, is the period of delay under 35 U.S.C. 154(b)(1)(B) in determining whether periods of delay overlap under 35 U.S.C. 154(b)(2)(A). Thus, any days of delay for Office issuance of the patent more than 3 years after the filing date of the application, which overlap with the days of patent term adjustment accorded prior to the issuance of the patent will not result in any additional patent term adjustment. See 35 U.S.C. 154(b)(1)(B), 35 U.S.C. 154(b)(2)(A), and 37 CFR § 1.703(f). See *Changes to Implement Patent Term Adjustment Under Twenty Year Term; Final Rule*, 65 Fed. Reg. 56366 (Sept. 18, 2000). See also *Revision of Patent Term Extension and Patent Term Adjustment Provisions; Final Rule*, 69 Fed. Reg. 21704 (April 22, 2004), 1282 Off. Gaz. Pat. Office 100 (May 18, 2004). See also *Explanation of 37 CFR 1.703(f) and of the United States Patent and Trademark Office Interpretation of 35 U.S.C. 154(b)(2)(A),* 69 Fed. Reg. 34283 (June 21, 2004).

The current wording of § 1.703(f) was revised in response to the misinterpretation of this provision by a number of Patentees. The rule was slightly revised to more closely track the corresponding language of 35 U.S.C. 154(b)(2)(A). The relevant portion differs only to the extent that the statute refers back to provisions of the statute whereas the rule refers back to sections of the rule. This was not a substantive change to the rule nor did it reflect a change of the Office's interpretation of 35 U.S.C. 154(b)(2)(A). As stated in the *Explanation of 37 CFR 1.703(f) and of the United States Patent and Trademark Office Interpretation of 35 U.S.C. 154(b)(2)(A)*, the Office has consistently taken the position that if an application is entitled to an adjustment under the three-year pendency provision of 35 U.S.C. 154(b)(1)(B), the entire period during which the application was pending before the Office (except for periods excluded under 35 U.S.C. 154(b)(1)(B)(i)-(iii)), and not just the period beginning three years after the actual filing date of the application, is the relevant period under 35 U.S.C. 154(b)(1)(B) in determining whether periods of delay "overlap" under 35 U.S.C. 154(b)(2)(A).

This interpretation is consistent with the statute. Taken together the statute and rule provide that to the extent that periods of delay attributable to grounds specified in 35 U.S.C. 154(b)(1) and in corresponding § 1.702 overlap, the period of adjustment granted shall not exceed the actual number of days the issuance of the patent was delayed. The grounds specified in these sections cover the A) guarantee of prompt Patent and Trademark Office responses, B) guarantee of no more than 3-year application pendency, and C) guarantee or adjustments for delays due to interference, secrecy orders and appeals. A section by section analysis of 35 U.S.C. 154(b)(2)(A) specifically provides that:

> Section 4402 imposes limitations on restoration of term. In general, pursuant to [35 U.S.C.] 154(b)(2)(A)-(C), total adjustments granted for restorations under [35 U.S.C. 154](b)(1) are reduced as follows: (1) To the extent that there are multiple grounds for extending the term of a patent that may exist simultaneously (e.g., delay due to a secrecy order under [35 U.S.C.] 181 and administrative delay under [35 U.S.C.] 154(b)(1)(A)),

> the term should not be extended for each ground of delay but only for the actual number of days that the issuance of a patent was delayed; See 145 Cong. Rec. S14,718[1]

As such, the period for over three-year pendency does not overlap only to the extent that the actual dates in the period beginning three years after the date on which the application was filed overlap with the actual dates in the periods for failure of the Office to take action within specified time frames. In other words, consideration of the overlap does not begin three years after the filing date of the application.

In this instance, the relevant period under 35 U.S.C. 154(b)(1)(B) in determining whether periods of delay "overlap" under 35 U.S.C. 154(b)(2)(A) is the entire period during which the application was pending before the Office, February 7, 2002, and ending June 25, 2006, the day before the filing of the RCE on June 26, 2006. Prior to the filing of the RCE, 786 days of patent term adjustment were accorded for the Office failing to respond within a specified time frame during the pendency of the application. All of the 503 days Office delay in issuing the patent overlap with the 786 days of Office examination delay. During that time, the issuance of the patent was delayed by 786 days, not 786 days and 503 days. The Office took 14 months and 786 days to issue a first Office action. Otherwise, the Office took all actions set forth in 37 CFR 1.702(a) within the prescribed timeframes. Nonetheless, given the initial 786 days of Office delay and the time allowed within the time frames for processing and examination, the application issued three years and 503 days after its filing date. The Office did not delay 786 days and then an additional 503 days. Accordingly, 786 days of patent term adjustment was properly entered because the period of delay of 503 days attributable to the delay in the issuance of the patent overlaps with the period of adjustment of 786 days attributable to grounds specified in § 1.702(a)(1). Entry of both periods is not warranted.

Accordingly, at issuance, the Office properly entered 443 days of patent term adjustment, having considered the 503 days of Office delay under the three-year pendency provision in conjunction with the 786 days of adjustment under 37 CFR 1.702(a)(1) that accrued prior to the filing of the RCE and the 106 days of adjustment under 37 CFR 1.702(a)(4) that accrued subsequent to the filing of the RCE, reduced 449 days for applicant delay.

In view thereof, no adjustment to the patent term will be made.

The Office acknowledges submission of the $200.00 fee set forth in 37 CFR 1.18(e). No additional fees are required.

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[1] The AIPA is title IV of the Intellectual Property and Communications Omnibus Reform Act of 1999 (S. 1948), which was incorporated and enacted as law as part of Pub. L. 106-113. The Conference Report for H.R. 3194, 106th Cong. 1st Sess. (1999), which resulted in Pub. L. 106-113, does not contain any discussion (other than the incorporated language) of S. 1948. A section-by-section analysis of S. 1948, however, was printed in the Congressional Record at the request of Senator Lott, See 145 Cong. Rec. S14,708-26 (1999)(daily ed. Nov. 17, 1999).

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